

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE**  
**BEFORE THE BOARD OF PATENT APPEALS AND INTERFERENCES**

Application Number	: 09/607,202	Confirmation No.:	7617
Applicant	: Frank J. JAKUBAITIS		
Filed	: June 28, 2000		
Title	: METHOD AND SYSTEM FOR DISTRIBUTING DIGITAL WORKS		
TC/Art Unit	: 3625		
Examiner:	: Robert M. Pond		
Appeal No.	: 2006-2420		
Docket No.	: 62941.002313		
Customer No.	: <b>27682</b>		

**RESPONSE TRANSMITTAL LETTER**

Mail Stop Appeal Brief - Patents  
Commissioner for Patents  
P.O. Box 1450  
Alexandria, VA 22313-1450

Sir:

Enclosed is a Reconsideration of Ex Parte Frank J. Jakubaitis: Reasons Why the Board's February 20, 2007 Decision is in Error in response to the Order mailed August 13, 2007 in connection with the above-identified patent application.

It is believed that no fee is due under 37 C.F.R. 41.20(b)(2) for this filing, however, the Commissioner is authorized to charge any fee which may be required by this paper to Deposit Account No. 08-3436.

- ☐ Charge \$\_\_\_\_.00 to Deposit Account No. 08-3436 for the fee due.
- ☐ Check No.     in the amount of \$ 0.00 is enclosed for the fee due
- ☐ A Mail Certificate Under 37 C.F.R. §1.8.
- ☐ Self-addressed stamped postcard.
- ☒ The Commissioner is hereby authorized to charge any fees under 37 C.F.R. §41.20 which may be required by this paper to Deposit Account No. 08-3436.

Date: October 12, 2007

Respectfully submitted,

**Hunton & Williams LLP**  
Riverfront Plaza, East Tower  
951 East Byrd Street  
Richmond, VA 23219-4074  
(804) 788-7365 telephone number  
(804) 343-4912 facsimile number

By: 

Gregory M. Murphy  
Registration No. 52,494

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE**

Application Number	: 09/607,202	Confirmation No.:	7617
Applicant	: Frank J. JAKUBAITIS		
Filed	: June 28, 2000		
Title	: METHOD AND SYSTEM FOR DISTRIBUTING DIGITAL WORKS		
TC/Art Unit	: 3625		
Examiner:	: Robert M. Pond		
Docket No.	: 62941.002313		
Customer No.	: 27682		

**RECONSIDERATION OF  
*EX PARTE FRANK J. JAKUBAITIS*:  
REASONS WHY THE BOARD'S FEBRUARY 20, 2007  
DECISION IS IN ERROR**

**I. OVERVIEW.**

Following the Supreme Court's decision in *KSR Int'l Co. v. Teleflex, Inc.*, the standard of determining obviousness of an invention are somewhat uncertain.<sup>1</sup> What is clear, however, is that the factors laid out in *Graham v. John Deere Co.* continue to apply to an obviousness determination.<sup>2</sup>

Pursuant to *Graham*, factual inquiries to determine if an invention is obvious in the face of prior art include: (1) the scope and content of the prior art; (2) any differences between the claimed subject matter and the prior art; (3) the level of skill in the art; and (4) where in

---

<sup>1</sup> See *KSR Int'l Co. v. Teleflex Inc.*, 127 S. Ct. 1727, 82 USPQ.2d 1385 (2007).

<sup>2</sup> *Graham v. John Deere Co.*, 383 U.S. 1, 148 USPQ 459 (1966). *KSR*, 127 S.Ct. at 1734, 82 USPQ.2d at 1391 ("While the sequence of these questions may be reordered in any particular case, the [Graham] factors continue to define the inquiry that controls.").

evidence, so-called secondary considerations.<sup>3</sup> Of these four (4) factual inquiries taught by *Graham*, Appellant respectfully submits that at least (1) the scope and content of the prior art, and (2) the differences between the claimed subject matter and the prior art direct a finding of nonobviousness of the present invention. The remaining factors of the level of skill in the art and secondary consideration do not have any direct impact on a finding of nonobviousness.

Appellant respectfully submits that the Board failed to address at least three (3) issues regarding the 35 U.S.C. § 103(a) rejection of the present application as raised in the initial Appeal Brief. Moreover, Appellant respectfully submits that if any one of these issues is properly addressed, the February 20, 2007 decision of the Board is in error.

First, and perhaps most conclusively, the Board failed to address the fact that even if the cited references can be and are combined, the combination fails to disclose all of the required claim elements, thereby failing a *prima facie* case of obviousness.<sup>4</sup> Second, the Board failed to address the fact that cited references teach away from the stated combination, thereby rendering the combination improper.<sup>5</sup> And third, the Board failed to address the lack of any motivation, teaching, suggestion to combine the references. Beyond this unsteady standard, an examination of the references reveals that the differences between the subject matter of the invention and the prior art are not such that the invention as a whole would be obvious. As noted in Appellant's initial Appeal Brief, the combination proposed by the Examiner would (i) change the principle operation of the primary reference; (ii) render the references inoperable for their intended

---

<sup>3</sup> *Graham*, 383 U.S. at 17-18, 148 USPQ at 467.

<sup>4</sup> MPEP § 2143.03; *In Re Royka*, 490 F.2d 981, 180 USPQ 580 (CCPA 1974); *In Re Wilson*, 424 F.2d 1382, 1385, 165 USPQ 494, 496 (CCPA 1970).

<sup>5</sup> MPEP §§ 2141.2, 2145(D)(2); *In Re Grasselli*, 713 F.2d 731, 743, 218 USPQ 769, 779 (Fed. Cir. 1983); *W.L. Gore & Associates, Inc. v. Garlock, Inc.*, 721 F.2d 1540, 220 USPQ 303 (Fed. Cir. 1983), *cert denied*, 469 U.S. 851 (1984).

purposes; and (iii) render the references unsatisfactory for their intended purposes.<sup>6</sup> Each of these reasons (i) - (iii), either alone or in combination, eliminates any potential suggestion, motivation, or teaching to combine.<sup>7</sup>

## **II. ARGUMENT**

Pursuant to *Graham*, factual inquiries to determine if an invention is obvious in the face of prior art include: (1) the scope and content of the prior art; (2) any differences between the claimed subject matter and the prior art; (3) the level of skill in the art; and (4) where in evidence, so-called secondary considerations.<sup>8</sup> Of these four (4) factual inquiries taught by *Graham*, Appellant respectfully submits that at least (1) the scope and content of the prior art, and (2) the differences between the claimed subject matter and the prior art direct a finding of nonobviousness of the present invention. The remaining factors of the level of skill in the art and secondary consideration do not have any direct impact on a finding of nonobviousness.

### **A. An Analysis of the Scope and Content of the Prior Art Reveals that the Present Invention is Not Obvious**

The first factor to be considered under *Graham* as affirmed in *KSR* is the scope and content of the prior art. In the instant matter, the scope and content of the prior art points away from a finding of obviousness for several reasons.

---

<sup>6</sup> MPEP § 2143.01; *In Re Ratti*, 270 F.2d 810, 123 USPQ 349 (CCPA 1959); *In Re Gordon*, 733 F.2d 900, 221 USPQ 1125 (Fed. Cir. 1984).

<sup>7</sup> MPEP § 2143.01; *In Re Gordon*, 733 F.2d 900, 221 USPQ 1125 (Fed. Cir. 1984).

<sup>8</sup> *Graham*, 383 U.S. at 17-18, 148 USPQ at 467.

First, and perhaps most conclusively, the Board failed to address the fact that even if the cited references can be and are combined, the combination fails to disclose all of the required claim elements, thereby failing a *prima facie* case of obviousness.<sup>9</sup> Second, the cited references teach away from the stated combination, thereby rendering the combination improper.<sup>10</sup> Third, there is no motivation, teaching, or suggestion to combine the references. As noted in Appellant's initial Appeal Brief, the combination proposed by the Examiner would (i) change the principle operation of the primary reference; or (ii) render the references inoperable or unsatisfactory for their intended purposes.<sup>11</sup> Each of these reasons (i) - (ii), either alone or in combination, eliminates any potential suggestion, motivation, or teaching to combine.<sup>12</sup> Beyond these unsteady standards, an analysis of the references reveals that the differences between the subject matter of the invention and the prior art are not such that the invention as a whole would be obvious, and the present invention is "more than the predictable use of prior art elements according to their established functions."<sup>13</sup>

---

<sup>9</sup> MPEP § 2143.03; *In Re Royka*, 490 F.2d 981, 180 USPQ 580 (CCPA 1974); *In Re Wilson*, 424 F.2d 1382, 1385, 165 USPQ 494, 496 (CCPA 1970).

<sup>10</sup> MPEP §§ 2141.2, 2145(D)(2); *In Re Grasselli*, 713 F.2d 731, 743, 218 USPQ 769, 779 (Fed. Cir. 1983); *W.L. Gore & Associates, Inc. v. Garlock, Inc.*, 721 F.2d 1540, 220 USPQ 303 (Fed. Cir. 1983), *cert denied*, 469 U.S. 851 (1984).

<sup>11</sup> MPEP § 2143.01; *In Re Ratti*, 270 F.2d 810, 123 USPQ 349 (CCPA 1959); *In Re Gordon*, 733 F.2d 900, 221 USPQ 1125 (Fed. Cir. 1984).

<sup>12</sup> MPEP § 2143.01; *In Re Gordon*, 733 F.2d 900, 221 USPQ 1125 (Fed. Cir. 1984).

<sup>13</sup> *KSR*, 127 S.Ct. at 1740, 82 USPQ.2d at 1396.

**1. Even if Combinable, the Proposed Combination Fails to Disclose All of the Required Claim Elements**

Appellant respectfully submits that the Board failed to address the fact that even if the references are combinable, the asserted combination does not disclose all of the required claim elements. Specifically, none of Reber, Fiala, or Freeny disclose, teach, or suggest the claim recitation of “storing a desired digital work on a memory of the customer node such that the digital work is available for subsequent use by the customer at the customer node after the customer logs off of the remote server.”

It is well known and undisputed that a *prima facie* obviousness rejection requires that the prior art references, when combined, teach all the claim limitations.<sup>14</sup> “All words in a claim must be considered in judging the patentability of that claim against the prior art.”<sup>15</sup>

Reber is directed to a network navigation device and methods for using such a device for automatically linking users to a resource in an electronic network. Appellant respectfully submits that Reber does not disclose, teach, or suggest the step of “storing a desired digital work on a memory of the customer node such that the digital work is available for subsequent use by the customer at the customer node after the customer logs off of the remote server,” as required by claim 1. That Reber does not disclose this claim element is not contested by the Office.<sup>16</sup>

---

<sup>14</sup> See, e.g., MPEP § 2141.03; *In re Kotzab*, 55 USPQ2d 1313, 1316-1317 (Fed. Cir. 2000); *In re Royka*, 490 F.2d 981, 180 USPQ 580 (CCPA 1974).

<sup>15</sup> *In re Wilson*, 424 F.2d 1382, 1385, 165 USPQ 494, 496 (CCPA 1970).

<sup>16</sup> See Examiner’s Answer, p. 8 (“Reber and Fiala...do not disclose storing the accessed content for off-line use.”); and p. 15 (“Reber and Fiala, however, are silent on whether the content, after downloading unlimited use content to the user’s system, can be accessed for subsequent use by the customer at the customer node after the customer logs off of the remote server.”).

Fiala is directed to debit card packaging, particularly to a package for holding a data-encoded card associated with a metered account and a method of using the package and card combination to activate the metered account with a certain predetermined value at the time of purchase of the card and package combination. Appellant respectfully submits that Fiala does not disclose, teach, or suggest the step of “storing a desired digital work on a memory of the customer node such that the digital work is available for subsequent use by the customer at the customer node after the customer logs off of the remote server,” as required by claim 1. That Fiala does not disclose this claim element is not contested by the Office.<sup>17</sup>

The Office relies upon the Freeny to allegedly provide disclosure of the required claim element. Appellant respectfully submits that Freeny does not cure the deficiencies of Reber in view of Fiala. Freeny is directed to reproducing information in material objects *at a point of sale location*, wherein the information to be reproduced is *provided at the point of sale location*.<sup>18</sup> Freeny uses the term “point of sale location” to mean “retailer” and “retail outlet,” and explicitly states that “[t]he point of sale location is a location where a customer goes to purchase material objects embodying predetermined or preselected information.”<sup>19</sup> At the point of sale location, information is transferred to a “material object,” such as a cassette tape or eight-track.

---

<sup>17</sup> See Examiner’s Answer, p. 8 (“Reber and Fiala...do not disclose storing the accessed content for off-line use.”); and p. 15 (“Reber and Fiala, however, are silent on whether the content, after downloading unlimited use content to the user’s system, can be accessed for subsequent use by the customer at the customer node after the customer logs off of the remote server.”).

<sup>18</sup> U.S. Patent No. 4,528,643 to Freeny, Jr. (“Freeny Patent”), *see e.g.*, Abstract; 1:7-9; 4:8-12; 4:60-69.

<sup>19</sup> Freeny Patent, 2:63 (“a retailer (point of sale location)”); 2:67 (“a retail outlet (point of sale location)”); 5:47-50.



Indeed, as discussed more thoroughly above, the stated purpose of Freeny is to reduce the amount of inventory and associated space a retailer must possess.<sup>20</sup>

The Office points to nearly 350 lines of Freeny, none of which disclose the recited element of “storing a desired digital work on a memory of the customer node such that the digital work is available for subsequent use by the customer at the customer node after the customer logs off of the remote server.” At no point does Freeny discuss a “customer node” which stores the digital work for subsequent use by the customer at the customer node after the customer logs off of the remote server. It is the customer node that is connected to the remote server -- not a point of sale location.

The Office has glossed over this claim element in both its Office Actions and the Examiner’s Answer. In the issued Office Actions and the Examiner’s Answer, the Office appears to assert that since Freeny discloses reproducing information in a material object, the information is available “off-line.” While this may be true, this is not what the claim element requires. The claim element recites that a digital file is “stor[ed] on a memory of the customer node” and “the digital file is available ... at the customer node after the customer logs off from the remote server.” This is the same “customer node” that claim 1 earlier recites is “intermittently coupled through a communications link” to the “remote server”; and the same “customer node” that “send[s] a request to access the desired digital work ... through the communications network to the remote server.” As disclosed by Freeny, a cassette tape or eight-track is not intermittently coupled to the remote server, and a cassette tape or eight-track does not send a request to the remote server. Freeny does not disclose this element; the material objects recited by Freeny are incapable of sending such a request to a remote server.

---

<sup>20</sup> See, e.g., Freeny Patent, 2:62-4:17.

With regard to the Board's February 20, 2007 Decision, it does not address this issue, an issue raised in both the original Appeal Brief and Reply Brief.<sup>21</sup> Appellant respectfully submits that had the Board analyzed this issue and examined the combination of Reber, Fiala, and Freeny, the only reasonable conclusion is that the combination of references does not disclose at least the element of "storing a desired digital work on a memory of the customer node such that the digital work is available for subsequent use by the customer at the customer node after the customer logs off of the remote server."

Moreover, the present invention requires "searching the digital works stored on the remote server for the desired digital work specified by the card identifier." Reber discloses a network navigation device that lists a particular network address, and assists the user in arriving at that particular network address. Reber fails to disclose the step of "searching the digital works stored on the remote server for the desired digital work specified by the card identifier" for at least two (2) reasons. First, the present invention is limited to a search on a particular remote server; Reber discloses a network address that may be located anywhere on a network. Second, Reber directs a user to a specific location, it does not "search" a library of digital works to find a specific one. Neither Fiala or Freeny cure this deficiency. At best, Freeny discloses identifying particular preselected information to reproduce in material form. Freeny does not disclose searching a "remote server" for this information.

Accordingly, Appellant respectfully requests withdrawal of the rejection of claim 1 under 35 U.S.C. § 103(a) as being unpatentable over Reber in view of Fiala and further in view of Freeny.

---

<sup>21</sup> Cf. Decision on Appeal, February 20, 2007, before the Board of Patent Appeals and Interferences *with* Appeal Brief, pp. 13-14 *and* Reply Brief, pp. 13-15.

## **2. The Cited Reference Teach Away from the Stated Combination, Thereby Rendering the Combination Improper**

Appellant respectfully submits that the cited references teach away from the stated combination, the Board failed to properly address this issue, and had the Board addressed this issue the only reasonable conclusion is that the references cannot be combined.

The references must be considered in their entirety, including portions that teach away from the stated combination. If the present invention provides insight that is “contrary to the understandings and expectations of the art, the structure effectuating it would not have been obvious to those skilled in the art.”<sup>22</sup> Simply put, “[i]t is improper to combine references where the references teach away from their combination.”<sup>23</sup> Appellant respectfully submit that Reber and Freeny teach away from their combination with Fiala. Teaching away is not required to be explicit. References that “would likely discourage the art worker from attempting the [combination] suggested” prevent a finding of obviousness.<sup>24</sup> Indeed, “general skepticism of those in the art -- not amounting to teaching away -- is ... relevant and persuasive evidence of nonobviousness.”<sup>25</sup>

---

<sup>22</sup> *Schenck v. Nortron Corp.*, 713 F.2d 782, 785, 218 USPQ 698, 700 (Fed. Cir. 1983).

<sup>23</sup> MPEP § 2145.

<sup>24</sup> *Gillette Co. v. S.C. Johnson & Sons, Inc.*, 919 F.2d 720, 724, 16 USPQ.2d 1923 (Fed. Cir. 1990).

<sup>25</sup> *Monarch Knitting Machinery Corp. v. Fukuhara Industrial & Trading Co., Ltd.*, 139 F.3d 877, 886, 45 USPQ.2d 1977 (Fed. Cir. 1998).

**a. Reber Teaches Away From a Combination with Fiala and Freeny**

Reber teaches away from the combination with Fiala and Freeny to disclose the elements of the present invention. As discussed throughout this paper, Reber is directed to a network navigation device. The network navigation device of Reber is directed at solving the problem of website or network location complexity, by removing the human element (and thus, the potential for human error) and providing network locations in machine readable format. Simply put, “[a] user accesses the resource by reading the machine-readable data using a data reader rather than by typing an electronic address. ... Consequently, the problem of address complexity is addressed and the criticality of reserving desired domain names is reduced.”<sup>26</sup> The human-viewable image is “intuitively associated with the resource and machine-readable data for navigating to the electronic address.”<sup>27</sup> This permits the user to have an indication and association of the electronic destination (e.g., “Motorola’s Two-Way Pager Site”)<sup>28</sup> rather than actually identifying the location.

In contrast, the present invention requires a direct user input of a desired digital work’s identification data. Figure 2A of the present invention provides, in human readable format, at least a website address, access code, and identification of a digital work. In Figure 2A the digital work’s identifier is “14764 148 1287591.”<sup>29</sup> None of this information is machine readable.

---

<sup>26</sup> Reber, 2:43-49.

<sup>27</sup> Reber, 2:41-42.

<sup>28</sup> Reber, 3:62-4:9.

<sup>29</sup> Present Invention, Figure 2A.

Figure 4 of the present invention corroborates, stating instructions for redemption reading “Please enter your 16 digit card number below without any spaces and press submit.”<sup>30</sup>

The entire point of Reber is eliminate complexity and remove human input. Reber cannot be combined to disclose the present invention, which explicitly requires the input of specific information without the use of a machine-reader.

Accordingly, Appellant respectfully requests withdrawal of the rejection of claim 1 under 35 U.S.C. § 103(a) as being unpatentable over Reber in view of Fiala and further in view of Freeny.

**b. Freeny Teaches Away From a Combination with Reber and Fiala**

Freeny teaches away from the combination asserted by the Office. Freeny discloses a system and method for reproducing information in a material object at a point of sale. Freeny discusses -- and dismisses -- approaches to solving its underlying problem that utilize direct sale to the consumer, stating that “[o]ne other attempt to circumvent some of the problems referred to above relating to information embodied in recordings has been ... direct sale to the consumer.”<sup>31</sup> This solution is rejected, due to economic considerations.<sup>32</sup> Delivering such information to the consumer at the consumer’s home simply rejected.<sup>33</sup> Accordingly, requesting a specific digital work from, and delivering the specific digital work to, a customer node is discouraged by

---

<sup>30</sup> Present Invention, Figure 4.

<sup>31</sup> Freeny, 2:41-45.

<sup>32</sup> Freeny, 2:52-61.

<sup>33</sup> *See also*, Freeny, 3:62-4:7.

Freeny. At a minimum, Freeny embodies the “general skepticism” that is relevant and persuasive evidence of nonobviousness.

Accordingly, Appellant respectfully requests withdrawal of the rejection of claim 1 under 35 U.S.C. § 103(a) as being unpatentable over Reber in view of Fiala and further in view of Freeny.

### **3. There is No Motivation, Suggestion, or Teaching for the Combination**

Appellant respectfully submits that the Board failed to address that there is no motivation, suggestion, teaching, or even any “articulated reasoning with some rational underpinning” for the asserted combination.<sup>34</sup> While an obviousness analysis “need not seek out precise teachings directed to the specific subject matter of the challenged claim” in that motivation to combine “may be found in implicit factors,” the obviousness analysis “should be made explicit.”<sup>35</sup> “Rejections on obviousness grounds cannot be sustained by mere conclusory statements.”<sup>36</sup>

Appellant respectfully submits that “mere conclusory statements” are that the Office presents. With regard to exemplary claim 1, the Office states:

It would have been obvious to one of ordinary skill in the art at the time of the invention to modify the method of Reber to disclose purchasing from a retail merchant a package including a card associated with desired goods or services as taught by Fiala, *in order to provide a purchasing mechanism for the prepaid card, and thereby attract customers to the store and service willing to pay for prepaid access to digital content.*<sup>37</sup>

The Office continues:

---

<sup>34</sup> See *In re Kahn*, 441 F.3d 977, 988, 78 USPQ.2d 1329, 1336 (Fed. Cir. 2006).

<sup>35</sup> *KSR*, 127 S. Ct. at 1740-1741, 82 USPQ.2d at 1396 (emphasis added).

<sup>36</sup> See *In re Kahn*, 441 F.3d 977, 988, 78 USPQ.2d 1329, 1336 (Fed. Cir. 2006).

<sup>37</sup> Examiner’s Answer, p. 7.

It would have been obvious to one of ordinary skill in the art at the time of the invention to modify the method of Reber to implement retailer activation as taught by Fiala, *in order to activate the prepaid card sold by the retailer, and thereby enable customers to access digital content sold through the retail establishment.*<sup>38</sup>

And finally, the Office states:

It would have obvious to one of ordinary skill in the art at the time of the invention to modify the method of Reber and Fiala to implement downloadable content to a storage medium as taught by Freeny, *in order to provide off-line content usage, and thereby attract customers to the retail store and online content distribution service.*<sup>39</sup>

In essence, the Office is asserting that the missing claim elements are obvious in light of the nature of the problem to be solved (*i.e.*, storing a desired digital work on a memory of the customer node such that the digital work is available for subsequent use by the customer at the customer node after the customer logs off of the remote server). However, this “begs the question” of whether “this problem had been previously identified anywhere in the prior art.”<sup>40</sup> Appellant respectfully submits that nowhere in the prior art is this problem identified. Rather, the validation for the combination of elements appears to be nothing more than hindsight. Impermissible hindsight is not a proper basis for motivation to combine, and one must be aware “of the distortion caused by hindsight bias and must be cautious of arguments reliant upon ex post reasoning.”<sup>41</sup> Appellant respectfully submits that the abbreviated analysis provided by the

---

<sup>38</sup> Examiner’s Answer, p. 7.

<sup>39</sup> Examiner’s Answer, p. 8.

<sup>40</sup> See *In re Zurko*, 111 F.3d 887, 890, 42 USPQ.2d 1476, 1479 (Fed. Cir. 1997), *reh’g in banc granted*, 116 F.3d 874 (Fed. Cir. 1997), *rev’d*, 142 F.3d 1447, 46 USPQ.2d 1691 (Fed. Cir. 1998), *rev’d sub nom. Dickenson v. Zurko*, 527 U.S. 150, 50 USPQ.2d 1930 (1999), *on remand*, 258 F.3d 1379, 59 USPQ.2d 1693 (Fed. Cir. 2001).

<sup>41</sup> *KSR*, 127 S. Ct. at 1743, 82 USPQ.2d at 1396.

Office relies upon hindsight. The Office did little more than decomposed the invention into its constituent elements, found each element in the prior art, and claims that it is easy to reassemble these elements into the invention. This *ex post* analysis is improper.<sup>42</sup>

Accordingly, while Appellant recognizes that under the precedent of *KSR v. Teleflex* an obviousness analysis need not seek out precise teachings -- but rather may be found in implicit factors, the Office has not identified such implicit factors and has not made the relevant obviousness analysis explicit. The only understandable rationale of the Office's combination is provided by improper hindsight. Accordingly, the rejection of the present invention under 35 U.S.C. § 103(a) in view of a combination of Reber, Fiala, and Freeny is improper and should be withdrawn.

**a. There Can Be No Motivation, Suggestion, or Teaching to Combine the References, Because Such Combination Would Change the Principle Operation of the References**

If the proposed modification or combination of the prior art would change the principle of operation of the prior art invention being modified, then the teachings of the references are not sufficient to render the claims *prima facie* obvious.<sup>43</sup>

**i. The Asserted Combination Changes the Principle Operation of Reber**

It is clear from the reading of Reber that its principle operation is that of a network navigation device.<sup>44</sup> The primary purpose recited by Reber is to provide a network navigation

---

<sup>42</sup> *In re Mahurkar Patent Litigation*, 831 F.Supp. 1354, 28 USPQ2d 1801 (N.D. Ill. 1993), *aff'd*, 71 F.3d 1573, 27 USPQ2d 1138 (Fed. Cir. 1995).

<sup>43</sup> MPEP § 2143.01. *See also, In re Ratti*, 270 F.2d 810, 123 USPQ 349 (CCPA 1959).



device that would require the memorization of difficult network locations (i.e., URLs) unnecessary. In order to solve this problem, Reber teaches a network navigation device comprising, *inter alia*, a machine readable indicia and a human readable indicia. The machine readable indicia represents a specific network location, and is received to a computer or other device on a network, and the computer or other device is then directed to the specific network location. The entire point of Reber is to provide a specific network location in a machine readable format.

Combining Reber with Fiala and Freeny changes the principal operation of Reber. In order for a combination of Reber, Fiala, and Freeny to render the present invention obvious, the system of Reber must be significantly modified. In fact, according to the Office, there must be three (3) layers of modifications -- and therefore, three (3) logical jumps. First, Reber must be modified "in order to provide a purchasing mechanism for the prepaid card, and thereby attract customers to the store and service willing to pay for prepaid access to digital content."<sup>45</sup> Second, Reber must be modified "in order to activate the prepaid card sold by the retailer, and thereby enable customers to access digital content sold through the retail establishment."<sup>46</sup> And third,

---

<sup>44</sup> See, e.g., Reber, 1:27-34 ("the Internet is need of an application which will transform the "much-hyped but difficult-to-use linking of computers around the world to become a highly informative, highly usable database and communications tool."), 2:38-41 ("Embodiments of the present invention advantageously provide methods and systems for automatically linking a user to a resource in an electronic network using a network navigation device."), 2:49-52 ("The device is well-suited for utilization by the masses to navigate to desired locations on the Internet and the World Wide Web.").

<sup>45</sup> Examiner's Answer, p. 7.

<sup>46</sup> Examiner's Answer, p. 7.

Reber must be modified “in order to provide off-line content usage, and thereby attract customers to the retail store and online content distribution service.”<sup>47</sup>

With regard to the first modification, the principle operation of a network navigation device is incongruous with a purchasing mechanism for a prepaid card. With regard to the second modification, limiting customers from accessing digital content until activation of a prepaid card significantly changes the operation of Reber. Most clearly, the ability to provide “off-line content usage” is in direct opposition with the teachings of Reber. Reber pontificates of a manner to provide a network navigation device *while a user is connected to a network*.<sup>48</sup> To combine Reber with Fiala and Freeny to disclose the present invention -- particularly the recited step of “storing a desired digital work on a memory of the customer node such that the digital work is available for subsequent use by the customer at the customer node after the customer logs off of the remote server” destroys the principle operation of Reber. Accordingly, the combination is improper.

**ii. The Asserted Combination Changes the Principle Operation of Fiala**

Fiala is directed to packaging for a stored value card with an associated metered account and the activation of the metered account. The metered account activated by Fiala is disclosed to be a telecommunications account, and be used for multiple transactions.<sup>49</sup> The present invention does not require such an activation, but rather a limited activation, setting “the status of the

---

<sup>47</sup> Examiner’s Answer, p. 8.

<sup>48</sup> See, e.g., Reber, 9:20-32 (reciting a computer that “communicates with an electronic network via a line” or alternatively can “wirelessly communicate with the electronic network.”).

<sup>49</sup> See Fiala, 4:65-5:4.

desired digital work as available for a one-time access based on the card identifier of the card associated with the digital work.”<sup>50</sup> The activation of a metered account for unrestricted use (up to the balance of the metered account) does not disclose the limited activation for a one-time access of a particular file. In order to combine Fiala with Reber and Freeny to disclose the present invention, Fiala would be modified to provide a one-time access, thereby changing the principle operation of Fiala and its metered account activation.

### **iii. The Asserted Combination Changes the Principle Operation of Freeny**

Freeny is directed to systems and methods for reducing inventory at store, by reproducing information in material objections at a point of sale location.<sup>51</sup> “Material objects” is defined to mean a cassette tape, phonograph records, 8-track tapes, reel-to-reel tapes, video discs, handheld calculators, handheld electronic games, greeting cards, maps, and sheet music.<sup>52</sup> In order to effectuate this goal, Freeny discloses a reproduction unit located at the point of sale. The reproduction unit reproduces information in the material object.<sup>53</sup>

The present invention requires, *inter alia*, a “customer node” that is intermittently coupled to the remote server, that receives a desired digital work, and perhaps most importantly, that “send[s] a request to access the desired digital work...through the communications network

---

<sup>50</sup> Present Invention, Claim 1.

<sup>51</sup> *See* Freeny.

<sup>52</sup> Freeny Patent, 4:36-55.

<sup>53</sup> Freeny Patent, Figs. 1 and 4, element 24; 5:32-39 (stating that “[e]ach of the information manufacturing machines 14 is located at a point of sale location.”) and 6:24-30 (“the information manufacturing machine 14 includes...the reproduction unit 24.”).

to the remote server.”<sup>54</sup> In order to disclose the present invention from a combination of Reber, Fiala, and Freeny, the material object of Freeny would have to “send[] a request to access the desired digital work...through the communications network to the remote server.” This dramatically changes the principle operation of Freeny.

Accordingly, the combination of Reber, Fiala, and Freeny is improper.

**b. There Can Be No Motivation, Suggestion, or Teaching to Combine the References, Because Such Combination Would Render the References Inoperable or Unsatisfactory for Their Intended Purposes**

If the combined references “would produce a seemingly inoperative device, then [the references] teach away from their combination.”<sup>55</sup> Additionally, if proposed modification would render the prior art invention being modified unsatisfactory for its intended purpose, then there is no suggestion or motivation to make the proposed modification.<sup>56</sup>

**i. The Asserted Combination Renders Reber Inoperable or Unsatisfactory for Its Intended Purpose**

The intended purpose of Reber is a network navigation device. The present invention provides systems and methods of distributing digital works. Appellant respectfully submits that modifying Reber according to Fiala and Freeny in order to distribute digital works renders Reber both inoperable and unsatisfactory for its intended purpose.

---

<sup>54</sup> See Present Invention, Claim 1.

<sup>55</sup> See, *In Re Gordon*, 733 F.2d 900, 221 USPQ 1125 (Fed. Cir. 1984); *Tec Air, Inc. v. Denso Manufacturing Michigan Inc.*, 192 F.3d 1353, 52 USPQ.2d 1294 (Fed. Cir. 1999); *In re Spinnoble*, 405 F.2d 578, 160 USPQ 237 (CCPA 1964).

<sup>56</sup> See MPEP § 2143.01. *In re Gordon*, 733 F.2d 900, 221 USPQ 1125 (Fed. Cir. 1984).

Reber provides systems and methods of navigating an electronic network. The electronic network disclosed by Reber is the Internet and World Wide Web.<sup>57</sup> In contrast, the present invention requires searching a single, specific remote server for a specific digital file. Modifying Reber in view of Fiala and Freeny to disclose the present invention effectively eliminates the network navigation aspect of Reber -- which is the very point, the intended purpose.

Moreover, in accordance with Reber, a user inputs a network location into a computer. The network location may be input via manual input, or preferably, via a machine readable indicia. The computer then automatically navigates to the particular network location and automatically displays the content on the particular network location -- content which the user may be unaware of until it is displayed.<sup>58</sup> In contrast, any combination that would render the present invention obvious requires the selection of a specific digital work. The user is not navigated to a network location and displayed whatever content is there; rather, the user determines in advance which specific work to access. This difference, though initially appearing nuanced, is significant because it illustrates how Reber modified to disclose the invention would render Reber unsatisfactory for its intended purpose. Reber does not disclose the location and distribution of a specific digital work. To modify Reber to do so destroys the navigational capabilities of Reber, and the intent to provide an answer to the "much-hyped but difficult-to-use linking of computers around the world."<sup>59</sup>

Furthermore, the network navigation device of Reber is intended to be "produced inexpensively for wide distribution" as "inserts in magazines, newspapers, or other publications,"

---

<sup>57</sup> See, e.g., Reber, 1:24-55, 2:50-52.

<sup>58</sup> See, e.g., Reber, 6:29-33, 9:7-12; 11:29-46.

<sup>59</sup> Reber, 1:28-30.

or they can be “distributed by mail,” or “distributed as one distributes business cards.”<sup>60</sup> Each of these distribution methods is free to the recipient.

Combining Reber with Fiala and Freeny would render this purpose inoperable and unsatisfactory. Rather than a free distribution, the combination would require the purchase of the network navigation devices. Accordingly, this modification destroys the intended purpose of Reber and the combination of Reber, Fiala, and Freeny is improper.

**ii. The Asserted Combination Renders Freeny Inoperable or Unsatisfactory for Its Intended Purpose**

As discussed above, Freeny is directed to systems and methods for reducing inventory at store, by reproducing information in material objects at a point of sale location, while the present invention requires, *inter alia*, a “customer node” that is intermittently coupled to the remote server, that receives a desired digital work, and perhaps most importantly, that “send[s] a request to access the desired digital work...through the communications network to the remote server.”<sup>61</sup>

In order to disclose the present invention from a combination of Reber, Fiala, and Freeny, the material object of Freeny would have to “send[] a request to access the desired digital work...through the communications network to the remote server.” The material objects recited by Freeny are not operable to send a request. Rather, the material objects disclosed by Freeny are simply recording or memory devices. They are incapable of sending a request to a remote server.

Moreover, modifying Freeny to be included in the combination of Reber and Fiala renders Freeny entirely unsatisfactory for its intended purpose. Freeny is intended as a means to

---

<sup>60</sup> Reber, 7:9-24.

<sup>61</sup> See Present Invention, Claim 1.

reduce the amount of inventory a store (specifically, a record store) must carry. Under Freeny, rather than carry cassettes or 8-tracks pre-recorded with songs, a customer can select a song and have the selected song recorded to the cassette or 8-track at the point of sale. Modifying Freeny as stated would allow customers to save selected information (or digital files) at the customer node -- not at the point-of-sale. This modification effectively cuts the merchant out of the equation, therefore rendering the combination unsatisfactory for Freeny's intended purpose.

Accordingly, the combination of Reber, Fiala, and Freeny is improper.

**B. The Differences Between the Claimed Subject Matter and the Prior Art Prevents a Finding of Obviousness**

As discussed above, the prior art of record does not teach all of the elements of the present invention as claimed. Moreover, as discussed above, the references have different intended purposes and principle operations, such that combination is improper.

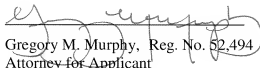
Appellant's initial Appeal Brief endeavored to make this issue clear. Reber discloses a network navigation device. Fiala discloses a unlimited activation of a metered account. Freeny discloses a inventory control device for recording information at a point of sale. That these references would be combined to disclose a method of distributing digital works, where the works are available for a one-time access from a customer node, the customer node sends a request to access the digital work, and the digital work is made available for subsequent use at the customer node after disconnecting from a server is nonsensical. The glaring differences between the references and the present invention are such that the only way one of ordinary skill in the art could have combined them is by using impermissible hindsight and the present invention as roadmap.

### III. CONCLUSION

Appellant respectfully submits that the Board failed to address at least three (3) issues in its February 20, 2007 Decision, and that had the Board addressed any one of these issues the outcome of the Decision would have favored the Appellant. Appellant respectfully requests reconsideration of the Board's February 20, 2007 Decision, and a finding that the claims of the present invention overcome the pending rejections and are allowable in their present form.

Respectfully submitted,

Dated: October 12, 2007



Gregory M. Murphy, Reg. No. 52,494  
Attorney for Applicant  
Hunton & Williams LLP  
Riverfront Plaza, East Tower  
951 East Byrd Street  
Richmond, Virginia 23219-4074  
Telephone: (804) 788-7365  
Facsimile: (804) 343-4912